(c) whether there is no scope for further investment in the areas for which the GAIL was founded; and

(d) whether it is proposed to form. a subsidiary company for the purpose?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMNY): (a) Yes, Sir.

(b) The National Telecom Policy, 1999 provides for usage of the infrastructure of the Gas Authority of India Ltd. (GAIL) for long distance communication. GAIL's entry in the telecom sector would lead to optimum utilization of the available capacity, which, if required, can be enhanced at a relatively low cost. Apart from revenue generation to the Company, it would be in the national interest.

(c) The main thrust of GAIL's future investments will continue to be in the areas of its core competence.

(d) Presently, there is no such proposal.

Petroleum products price hike

3627. SHRI K. M. KHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what is the justification of Government in hiking the price of petroleum products like kersosene and cooking gas;

(b) whether it is a fact that the present hike in prices had been deferred earlier on the advice of the political parties of the TDP and Trinamool Congress; and

(c) if so, what is the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) to (c) The hike in the prices of kerosene for public distribution of LPG (Packed Domestic) has been made for the following reasons:

1. To reduce subsidy on Kerosene for PDS and LPG (Packed Domestic) in Line with the decision of the Government taken in November 1997 on phased dismantling of administed price mechanism (APM);
2. To consider the growing oil pool deficit due to steep increase in the prices of crude oil and petroleum products in the international markets;

3. To reduce the difference between the prices of diesel and kerosene for public distribution system.

Criteria allocation of Kerosene to States

3628. SARDAR GURCHARAN SINGH TOHRA:
SHRI SUKHDEV SINGH LIBRA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the criteria laid down by Government for allocation of kerosene oil quota to States;

(b) whether Government of Punjab has requested Government to increase the quota of kerosene to meet the requirement of ration card holders;

(c) if so, the details thereof; and

(d) by when a final decision is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) to (d) Kerosene is an allocated product and annual/monthly allocation is made by the Central Government to the States/UTs for distribution through Public Distribution System (PDS). The allocation of kerosene is made on historical basis. Requests are received from various State Governments including Punjab for additional allocation of kerosene from time to time. Kerosene is a deficit product in the country and on account of constraints of product availability, foreign exchange and heavy subsidy the distribution has to be judicious.

Raids conducted at storage depots of oil companies

3629. SHRI KRISHNA KUMAR BIRLA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have conducted raids at the storage depots of various oil companies in the capital to check adulteration of petrol and diesel;

(b) if so, whether samples of petrol and diesel have been taken from the storage depots and sent for examination;

(c) if so, the results of investigations conducted in this regard; and

(d) the steps taken by Government to ensure availability of diesel and petrol free from any type of adulteration throughout the country?